



Credit Week in Brief

Global Markets Research

13 Oct 2025

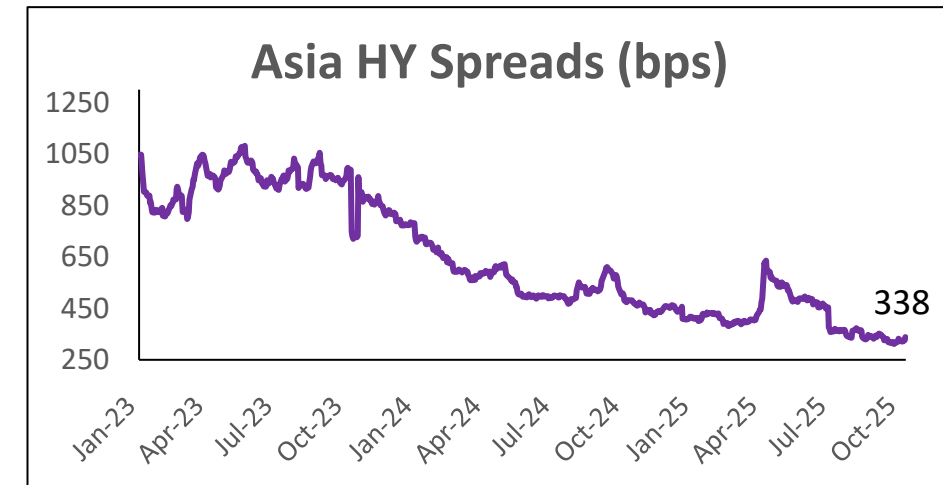
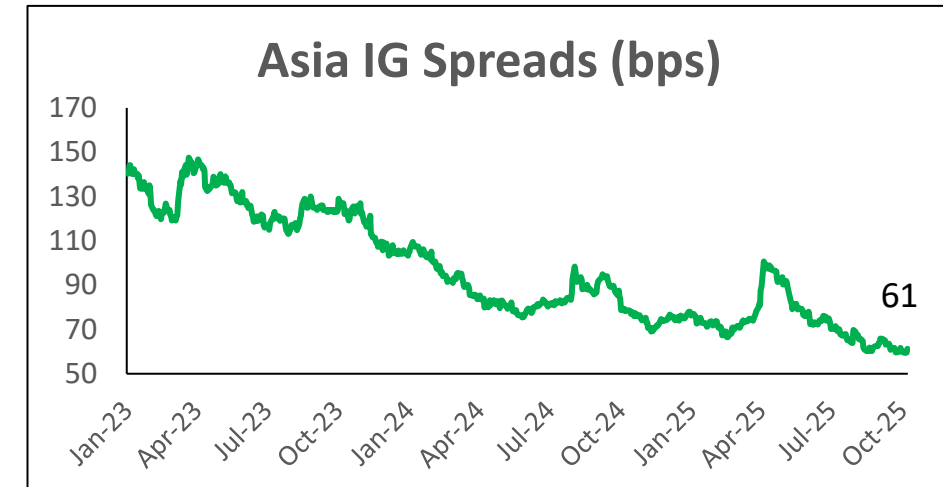
Credit: Asiadollar Weekly Overview

Wider credit spreads for Asiadollar markets

Indices	1 Week Change (bps)	OAS Spread
Asia IG (BAIGOAS Index)	+1	61bps
Asia HY (BAHYOAS Index)	+15	338bps

- Credit spreads widened w/w though remained near multi-year/historic lows.
- **Darker outlook for Vanke:** China Vanke Co.'s recently appointed **Chairperson, Xie Jie, has resigned from the role**, in another blow to the embattled developer facing liquidity challenges. Mr. Huang Liping, deputy party chief and general manager at Shenzhen Metro, will succeed as Chairperson. The resignation may raise further market concerns over Vanke's liquidity and solvency.
- **Tian An Property Insurance Co Ltd of China missed the principal and interest payments of its RMB5.3bn TANINS 6.97% '25 due on 30 September.** The insurer said that payment will only be made if its solvency ratio stays at or above 100% and other liabilities can be met. This will mark **the first mainland Chinese insurer to default on public bonds.**
- **SoftBank Group Corp is in talks for a USD5bn margin loan from global banks, secured by shares of its chip unit Arm Holdings Plc, to fund further OpenAI investments for the year.** This will raise SoftBank's total margin loans against Arm shares to USD18.5bn.

IG & HY spreads widened w/w



Credit: Asiadollar New Issues

China holiday and US government shutdown drives significant slowdown in Asia ex-Japan USD issuance

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
06 Oct	Muthoot Finance Ltd	Fixed, Senior Secured	USD	150	Retap of MUTHIN 6.375% '30s	101.75 to yield 5.863%
08 Oct	Republic of Indonesia	Fixed	USD	1,250	10.5Y	Reoffer price 99.594 to yield 4.95%
08 Oct	Republic of Indonesia	Fixed	USD	600	5.5Y	Reoffer price 99.758 to yield 4.35%
08 Oct	Development Bank of Kazakhstan	Fixed	USD	500	Long 5Y	Issue price 98.852 to yield 4.85%
09 Oct	Sammaan Capital Ltd	Social, Secured, Fixed	USD	450	5Y	7.50%

Credit: New issues in SGD

Active week for the SGD primary market with SGD1.14bn issuance from six issues

Date	Issuer	Type	Currency	Size (mn)	Tenor	Final Pricing
06 Oct	Muangthai Capital PCL (guarantor: Credit Guarantee & Investment Facility)	Social, Fixed	SGD	64	3Y	2.15%
06 Oct	Muangthai Capital PCL (guarantor: Credit Guarantee & Investment Facility)	Social, Fixed	SGD	65	5Y	2.28%
07 Oct	Starhub Ltd	Subordinated, Fixed, Perpetual	SGD	200	PerpNC7	Par to Yield 3.35%
08 Oct	Public Utilities Board	Fixed	SGD	500	30Y	2.486%
08 Oct	Emirates NBD Bank PJSC	Fixed	SGD	160	2Y	1.75%
10 Oct	Cagamas Global PLC (guarantor: Cagamas Bhd)	Fixed	SGD	155	1Y	1.75%

Credit Research Views: SGD Weekly Overview

SGD Credit market up slightly (+0.07% w/w) as SORA curve declined by 1-3bps

	Key Statistics			Total Returns			
	(1 Jan 2021 = 100)	Eff Mty	Market Cap	w/w	m/m	y/y	Since Jan 2021
<u>By Tenor & Structure</u>							
AT1S	117.3	3.1	\$12,074m	0.06%	0.7%	6.9%	17.3%
NON-FIN PERP	124.4	11.7	\$13,892m	0.05%	1.0%	7.9%	24.4%
TIER 2S & Other Sub	120.3	4.2	\$18,604m	0.02%	0.5%	7.1%	20.3%
LONGER TENORS (>9YRS)	109.7	23.1	\$15,102m	0.04%	0.0%	13.4%	9.7%
MID TENORS (>3Y-9YRS)	114.4	4.9	\$44,063m	0.11%	0.2%	8.0%	14.4%
SHORT TENORS (1-3YRS)	115.5	1.8	\$25,878m	0.06%	0.3%	5.4%	15.5%
MONEY MARKET (<12M)	116.9	0.4	\$10,649m	0.04%	0.2%	3.8%	16.9%
<u>By Issuer Profile Rating</u>							
POS (2)	116.6	9.3Y	\$6,540m	0.10%	0.9%	6.5%	16.6%
N(3)	119.2	3.4Y	\$25,203m	0.01%	0.5%	7.2%	19.2%
N(4)	119.1	7.8Y	\$22,082m	0.08%	0.7%	6.9%	19.1%
N(5)	118.0	3.4Y	\$5,690m	0.07%	0.4%	7.2%	18.0%
OCBC MODEL PORTFOLIO	128.1	14.8Y	\$6m	0.01%	1.1%	9.6%	28.1%
SGD Credit Universe	115.2	6.3Y	\$140,261m	0.07%	0.4%	7.4%	15.2%



Source: Bloomberg, OCBC full description in SGD Credit Outlook 2023, pg lxi

Credit: Top Happenings in SGD Credit Market

Industry Outlook – Singapore Property, CapitaLand Group Pte Ltd (“CAPL”)

- **Skye is the limit?:** 658 out of 666 units were sold at Skye at Holland (~99% sales rate) on the first day of launch, which marks the strongest project launch performance YTD, outperforming LyndenWoods which sold 94% of 343 units in its July 2025 launch. The average selling price was SGD2,953 psf. UOL and CAPL’s subsidiary CapitaLand Development (“CLD”) are joint venture partners of the project.
- **No apparent impact from tariff threat:** Unlike in 2Q2025 when property sales were generally weaker, partly attributable to Liberation Day tariffs on 2 April 2025, Trump’s 100% tariffs threat on Friday did not appear to dent buying sentiment.
- **Demand underpinned by residents, investors and owner-occupiers:** According to a spokesperson by the joint venture partner, almost all buyers were Singaporeans and permanent residents, comprising a broad spectrum of investors and owner occupiers. The spokesperson also added that the robust take-up was underpinned by healthy buying sentiment and continued confidence in Singapore’s long-term fundamentals, supported by rarity of a prime site in the heart of the Holland Village.

Credit: Top Happenings in SGD Credit Market

Merger and Acquisition

HSBC Holdings PLC (“HSBC”), Hang Seng Bank Ltd (“HSB”)

- **HSBC announced a conditional proposal to privatise Hang Seng Bank Ltd** through a scheme of arrangement, offering to **purchase the remaining 37% shares it does not own at a 33% premium** to the last 30 days closing price. The cost of the privatisation offer is around HKD105bn (~USD13.5bn). Funding is likely to come from HSBC’s existing resources which would include postponing share buybacks for the next three quarters per Bloomberg.
- It was recently **reported that HSBC had taken a more hands on role with HSB, seeking to accelerate the disposal of impaired real estate loans in Hong Kong held by HSB**. Per Bloomberg, HSB saw an 85% y/y rise in impaired Hong Kong real estate loans and is now seeking to sell three real estate secured loan portfolios of around USD3bn under the supervision of HSBC.
- On 10 October 2025, Moody’s affirmed HSBC Holdings PLC’s A3 senior unsecured debt rating with a stable outlook, reflecting its ample liquidity, strong deposit funding, particularly in Asia and the UK, adequate capital and solid profitability. This mitigates challenges from managing a wide footprint and a complex legal structure. **HSBC’s proposed acquisition of the remaining 36.5% stake in Hang Seng Bank is seen as credit positive, enhancing Asian earnings while execution risk is minimal given HSBC already holds a majority stake in Hang Seng**. Although CET1 ratio may dip to ~14% post-acquisition, management aims to restore it to 14–14.5%. The stable outlook reflects expectations of continued strong funding, stable asset quality, and mid-teens RoTE through 2025–2027, in line with the management target.

Credit: Top Happenings in SGD Credit Market

CapitaLand Ascendas REIT (“AREIT”)

- **Acquiring three properties in Singapore for ~SGD565.8mn:** The proposed acquisition includes a ramp-up logistics property (2 Pioneer Sector 1), a light industrial property (Tuas Connection) and a high-specifications industrial property (9 Kallang Sector). The acquisitions are expected to be completed by 1Q2026.
- **Properties to be acquired have good portfolio statistics:** The properties are fully occupied by 19 tenants with a WALE of 5.5Y. Rental escalations range from 1% to 5% p.a., while in-place rents are about 15% below current market rents. Post-transaction first year net property income yield is 6.1%. However, we note that the average remaining land lease tenure of the properties is only 23Y.
- **Acquisition does not materially move AREIT’s credit profile:** The acquisition size of SGD565.8mn is manageable relative to AREIT’s total assets of SGD18.4bn as of 30 June 2025. (Company, OCBC)

Sembcorp Industries Ltd (“SCI”)

- **SCI** through its wholly-owned subsidiary, Sembcorp Green Infra Private Limited **has entered into a share purchase agreement with ReNew Private Limited to buy a 100% ownership of ReNew Sun Bright Private Limited (“ReNew Sun Bright”) for a total consideration of ~SGD246mn.**
- ReNew Sun Bright owns and operates a **300MW solar power asset located in Rajasthan, India.** The project is connected to the national grid via the Inter-State Transmission System. It operates under a 25Y power purchase agreement with Maharashtra State Electricity Distribution Company Limited. The acquisition will be funded through a combination of internal cash resources and external borrowings. (Company)



Source: Company, Bloomberg, OCBC

Credit: Top Happenings in SGD Credit Market

Other Major News

Singapore Exchange Limited (“SGX”)

- **SGX will explore opportunistic investments including acquisitions** that are aligned with its long-term strategy. Any bolt-on acquisition will be something **that builds upon SGX’s existing strengths like equities, forex, commodities and maritime**. SGX also reiterated a target of 6% to 8% CAGR in revenue, excluding treasury income, over the medium term.

Suntec Real Estate Investment Trust (“SUN”)

- The issuer of the **SGD200mn SUNSP 3.8%-PERP** has issued a notice of its intention to **redeem all of the perpetual on 27 October 2025**. Suntec REIT MTN Pte Ltd is the issuer while HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of SUN is the guarantor). (Company)

Credit Research

Andrew Wong

Credit Research Analyst

WongVKAM@ocbc.com

Ezien Hoo

Credit Research Analyst

EzienHoo@ocbc.com

Wong Hong Wei

Credit Research Analyst

WongHongWei@ocbc.com

Chin Meng Tee

Credit Research Analyst

MengTeeChin@ocbc.com

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